

12. Conflict and Negotiation (Organisational Conflicts)

Concept of Conflict

"Conflict is a process that begins when one party perceives that another party has negatively affected, or is about to negatively affect, something that the first party cares about."

Conflict Episode

There are five stages in conflict episode as pointed out by Pondy.



1. Latent Conflict : Each conflict episode begins with latent conflict. This is the stage in which the conflict has not taken a shape.

2. Perceived Conflict : Parties to the conflict may perceive about incompatibility of the antecedents of conflict though, sometimes, this perception may be wrong. Perceived conflict occurs because of the misunderstanding of the parties, caused particularly by the lack of communication.

3. Felt Conflict : At this stage, parties to the conflict feel that they have some conflict among themselves. Felt conflict differs from perceived conflict. A person may have serious difference with another over some issues but this may not make him tense or anxious.

4. Manifest Conflict : This is the stage when two parties to the conflict show a variety of conflictual behaviour such as open aggression, sabotage, apathy, withdrawal, work to rule.

5. Conflict Aftermath : At this stage, attempts are made to resolve the conflict through conflict resolution mechanism. Depending on the nature of conflict resolution mechanism, either the conflict may be suppressed or resolved amicably.

Conflict Management

The management within an organisation should function in such a way so as to maximise the coordination of human resources and work system and to minimise conflict. There may be two approaches for managing organisational conflict: preventive measures and curative measures.

Conflict Resolution

Some major actions in conflict resolution take place in the following ways :

- 1. Problem Solving :** The problem solving technique is considered to be the most positive technique available for conflict resolution because it emphasises the attainment of the common interests of both conflicting parties.
- 2. Avoidance :** Another method of overcoming conflict is its avoidance, that is, parties to the conflict may either withdraw from the conflict or conceal the incompatibility. Withdrawal may be observed when one party leaves the field of conflict so that other party may win by being in sole possession of the goal in dispute.

3. **Smoothing** : Smoothing can be defined as the process of playing down differences that exist between individuals or groups while emphasising common interests. Differences are suppressed and similarities are accentuated in smoothing process.
4. **Compromise** : Compromise is a well-accepted technique for resolving conflict, yielding neither a definite loser nor a distinct winner. Included here are external or third-party interventions, plus internal compromise between conflicting parties through both total-group and representative negotiation and voting.
5. **Confrontation** : The various actions enumerated above may not bring resolution of conflict between parties if they take very rigid stand. In such a case, the parties are left to confrontation to settle the conflict themselves. This strategy may result into win-lose situation. The parties concerned may settle their score by applying their strength against each other. Confrontation may be used for organisation development and increasing organisational effectiveness.

Negotiation

"Negotiation is a process in which two or more parties exchange goods or services and attempt to agree on the exchange rate for them."

Negotiation is the process in which two or more parties (individuals or groups) attempt to reach agreement on issues on which they have differences.

In negotiations, two types of bargaining may be involved: distributive and integrative.

Distributive Bargaining : Distributive bargaining operates under zero-sum conditions, that is, any gain to one party is at the expense of the other party. Normally, in a distributive bargaining, various economic issues are involved, such as wages/salaries, bonus, and other financial matters. While bargaining with each other, each party has a target point that defines what it would like to achieve. Each party also has a resistance point which marks the lowest outcome that is acceptable—the point below which the parties would break off negotiation rather than accepting a less-favourable settlement.

Integrative Bargaining : In contrast to distributive bargaining, integrative bargaining operates under the assumption that there exists one or more settlements that can create a win-win situation. In terms of organisational behaviour, integrative bargaining is preferable to distributive bargaining because the former builds long-terms relationships and facilitates working together in the future. It bonds negotiators and allows them to leave the negotiating table with a feeling that they have achieved a victory.

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Negotiation Process

Negotiation is a process which involves several steps as shown in Figure.

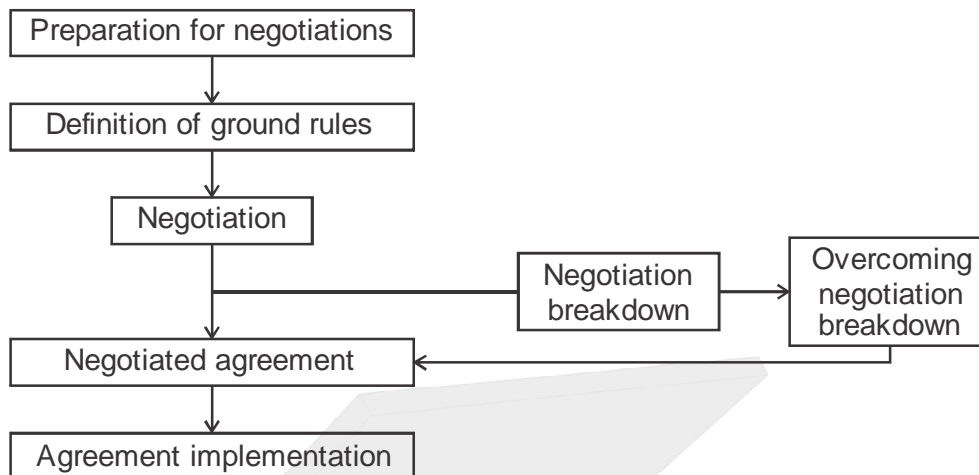


Fig. : Steps in Negotiation Process

Thus, following steps are involved in negotiation process:

1. Preparation for negotiation,
2. Definition of ground rules,
3. Negotiation,
4. Negotiated agreement, and
5. Agreement implementation.

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